HLS 09RS-3615 **REENGROSSED**

Regular Session, 2009

HOUSE BILL NO. 903 (Substitute for House Bill No. 375 by Representative Arnold) BY REPRESENTATIVE ARNOLD

TAX/AD VALOREM TAX: (Constitutional Amendment) Limits the power of taxing authorities with governing authorities which are not elected to increase millage rates without voter approval and requires elections to approve the levy or renewal of property taxes of such unelected authorities to be held only on the same dates as gubernatorial and congressional primary elections

1	A JOINT RESOLUTION
2	Proposing to amend Article VII, Section 23(C) and to add Article VII, Section 18(H) of the
3	Constitution of Louisiana, relative to the levy of ad valorem property tax by taxing
4	authorities; to further limit certain taxing authorities' power to increase millage rates
5	without voter approval; to require the election for approving ad valorem property tax
6	levies or renewals of certain taxing authorities to occur only at certain elections; and
7	to specify an election for submission of the proposition to electors and provide a
8	ballot proposition.
9	Section 1. Be it resolved by the Legislature of Louisiana, two-thirds of the members
10	elected to each house concurring, that there shall be submitted to the electors of the state, for
11	their approval or rejection in the manner provided by law, a proposal to amend Article VII,
12	Section 23(C) and to add Article VII, Section 18(H) of the Constitution of Louisiana, to read
13	as follows:
14	§18. Ad Valorem Taxes
15	Section 18.
16	* * *
17	H. Elections to approve the levy or renewal of ad valorem taxes by a taxing
18	authority with a governing authority which is not elected shall be held only on the

Page 1 of 4

CODING: Words in struck through type are deletions from existing law; words underscored are additions.

1	same dates as gubernatorial primary, gubernatorial general, congressional primary,
2	or congressional general elections. However, on a year without a gubernatorial
3	general, congressional primary, or congressional election, the election for such
4	approval may be called on the same date as a municipal primary or general election.
5	* * *
6	§23. Adjustment of Ad Valorem Tax Millages
7	Section 23.
8	* * *
9	(C) Increases Permitted. Nothing herein shall prohibit a taxing authority
10	from collecting, in the year in which Sections 18 and 20 of this Article are
11	implemented or in any subsequent year, a larger dollar amount of ad valorem taxes
12	by (1) levying additional or increased millages as provided by law or (2) placing
13	additional property on the tax rolls. Increases
14	(1) Subject to the limitations provided in Subparagraph (2) of this Paragraph,
15	increases in the millage rate in excess of the rates established as provided by
16	Paragraph (B) above of this Section, but not in excess of the prior year's maximum
17	authorized millage rate, may be levied by two-thirds vote of the total membership
18	of a taxing authority without further voter approval but only after a public hearing
19	held in accordance with the open meetings law; however, in addition to any other
20	requirements of the open meetings law, public notice of the time, place, and subject
21	matter of such hearing shall be published on two separate days no less than thirty
22	days before the public hearing. Such public notice shall be published in the official
23	journal of the taxing authority, and another newspaper with a larger circulation
24	within the taxing authority than the official journal of the taxing authority, if there
25	is one.
26	(2) A taxing authority with a governing authority membership which is not
27	composed entirely of persons who were elected by the voters for participation on that
28	governing authority may increase a millage rate in accordance with the provisions
29	of Subparagraph (1) of this Paragraph; however, the amount of increase in any

1	taxable year shall not increase the ad valorem tax collections of the taxing authority
2	by more than two and one-half percent of such collections for the immediately
3	preceding calendar year.
4	* * *
5	Section 2. Be it further resolved that this amendment shall become effective January
6	1, 2011.
7	Section 3. Be it further resolved that this proposed amendment shall be submitted
8	to the electors of the state of Louisiana at the statewide election to be held on November 2,
9	2010.
10	Section 4. Be it further resolved that on the official ballot to be used at said election
11	there shall be printed a proposition, upon which the electors of the state shall be permitted
12	to vote FOR or AGAINST, to amend the Constitution of Louisiana, which proposition shall
13	read as follows:
14	To provide that the power of a taxing authority with a governing authority
15	which is not elected to increase millage rates without voter approval after
16	reappraisal, which is presently limited by the prior year's maximum millage
17	rate, be further limited to annual increases which do not exceed two and one-
18	half percent of the property tax collections for the immediately preceding
19	calendar year; to require elections to approve the levy or renewal of ad
20	valorem taxes of a taxing authority with a governing authority which is not
21	elected to be held only on the same dates as gubernatorial primary,
22	gubernatorial general, congressional primary, or congressional general
23	elections. However, on a year without a gubernatorial general, congressional
24	primary, or congressional election, the election for such approval may be
25	called on the same date as a municipal primary or general election. (Amends
26	Art. VII, Section (23)(C), Adds Art. VII, Section 18(H))

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Arnold HB No. 903

Abstract: Limits the power of a taxing authority with a governing authority which is not elected to increase millage rates without voter approval, and requires elections to approve the levy or renewal of property taxes of such unelected tax authorities to be held only on the same dates as gubernatorial and congressional primary and general elections.

<u>Present constitution</u> prohibits the total amount of ad valorem taxes collected by any taxing authority in the year of a statewide reappraisal from being increased or decreased because of the reappraisal above or below the amount collected in the year preceding reappraisal. Requires a "roll forward" or "roll back" of millage rates to accomplish this purpose.

<u>Present constitution</u> further authorizes taxing authorities, with a 2/3 vote, to levy an increase in the millage rate in excess of the rates established as provided above, but not in excess of the prior year's maximum authorized millage rate, without further voter approval.

<u>Proposed constitutional amendment</u> further limits the power of a taxing authority with a governing authority which is not elected as follows:

- (1) Limits the power of such unelected tax authorities to increase millage rates without voter approval to annual increases which do not exceed 2.5% of the property tax collections for the immediately preceding calendar year.
- (2) Requires elections to approve the levy or renewal of the property taxes of such unelected tax authorities to be held only on the same dates as gubernatorial primary, gubernatorial general, congressional primary, or congressional general elections. However, in a year without a gubernatorial general, congressional primary, or congressional election, the election for such approval may be called on the same date as a municipal or general election.

Specifies submission of the amendment to the voters at the statewide election to be held on Nov. 2, 2010.

Effective Jan. 1, 2011.

(Amends Const. Art. VII, Sec. 23(C); Adds Const. Art. VII, Sec. (H))

Summary of Amendments Adopted by House

House Floor Amendments to the engrossed bill.

1. Adds provision for elections in a year without a gubernatorial general, congressional primary, or congressional election to authorize the election for such proposals to be called on the same date as a municipal or general election.